



Sean Rogan
Executive Director

COMMUNITY DEVELOPMENT COMMISSION
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Gloria Molina
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Michael D. Antonovich
Commissioners

October 05, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

25 October 5, 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**ADOPT RESOLUTION APPROVING ISSUANCE OF MULTIFAMILY HOUSING MORTGAGE
REVENUE BONDS FOR 105TH STREET & NORMANDIE SENIOR HOUSING, A MULTIFAMILY
HOUSING DEVELOPMENT LOCATED IN UNINCORPORATED WEST ATHENS/WESTMONT
(DISTRICT 2) (3 VOTES)**

SUBJECT

This letter recommends that your Board approve the issuance of Multifamily Housing Mortgage Revenue Bonds to finance the site acquisition and construction of 105th Street & Normandie Senior Housing, a 62-unit multifamily rental housing development to be located in unincorporated West Athens/Westmont. This letter relates to an item on the agenda of the Board of Commissioners of the Housing Authority to authorize issuance of the bonds.

IT IS RECOMMENDED THAT YOUR BOARD:

Adopt and instruct the Chairman to sign a resolution approving the issuance of Multifamily Housing Mortgage Revenue Bonds by the Housing Authority of the County of Los Angeles in an amount not exceeding \$8,000,000 to Normandie Senior Housing Partners L.P. to finance the site acquisition and construction of 105th Street & Normandie Senior Housing, a 62-unit multifamily rental housing development to be located at 10402, 10408, 10410 and 10426 South Normandie Avenue, 1344 West 104th Street and 1335 West 105th Street in unincorporated West Athens/Westmont.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to approve the issuance of Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not exceeding \$8,000,000 in order to finance the site acquisition and construction of 105th Street & Normandie Senior Housing.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The Developer will repay the bonds solely through rent revenues, and will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The 105th Street & Normandie Senior Housing (Project) will be located at 10402, 10408, 10410 and 10426 South Normandie Avenue, 1344 West 104th Street and 1335 West 105th Street in unincorporated West Athens/Westmont. The Project will be a three-story apartment building, comprised of 55 one-bedroom units and seven two-bedroom units. Six of the one-bedroom units will be reserved for households with incomes that do not exceed 25% of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area (MSA), adjusted for household size, as determined by the U.S. Department of Housing and Urban Development. Twenty-three of the one-bedroom units will be reserved for households at 45% AMI or below, and the remaining 26 one-bedroom units will be reserved for households at 50% AMI or below. Of the seven two-bedroom units, six will be reserved for households with incomes that do not exceed 45% of AMI, and one will be a manager's unit with no affordability requirements. The affordability requirements will remain in effect for 55 years. Six of the affordable units will be occupied by special needs households.

Pursuant to Section 147(f) of the Internal Revenue Code, the Housing Authority conducted a public hearing regarding the issuance of the bonds on July 10, 2009 at its office located at 2 Coral Circle in Monterey Park. The hearing was held in order to inform the public about the Project and is required prior to issuance of the bonds. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

On September 15, 2009, your Board adopted a resolution approving issuance of the bonds. Under Internal Revenue Code regulations, the resolution approving bond issuance is valid for 12 months, and the bonds must be issued by the end of that period. Due to additional unforeseen underwriting requirements, the issuance of the bonds was postponed.

Therefore, your Board is being asked to adopt the attached Resolution to approve issuance of the bonds. This will extend the deadline an additional 12 months beyond September 15, 2010 and allow the bonds to be issued any time before October 5, 2011. In preparation for this action, the Housing Authority conducted another public hearing on September 10, 2010, at its office located at 2 Coral Circle in the City of Monterey Park. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project. We anticipate that the bonds will be issued prior to November 5, 2010, which is the deadline for bond issuance imposed by the California Debt Limit Allocation Committee.

The attached resolution was prepared by Orrick, Herrington & Sutcliffe, Housing Authority Bond Counsel, and approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

An Environmental Assessment/Mitigated Negative Declaration (EA/MND) was prepared for this project pursuant to the requirements of the National Environmental Policy Act. Based on the conclusions and findings of the EA/MND, a Finding of No Significant Impact was approved by the Certifying Officer of the Community Development Commission on February 7, 2007. Following the

required public and agency comment period, HUD issued a Release of Funds for the project on February 21, 2007.

In accordance with the requirements of CEQA, the Board of Commissioners of the Community Development Commission, acting as Lead Agency, approved the EA/MND for this project on November 6, 2007. The Board of Supervisors, acting as a Responsible Agency, approved the EA/MND on July 8, 2008. The Board of Commissioners of the Housing Authority, acting as a Responsible Agency, approved the EA/MND on July 15, 2008.

The environmental review record for this project is available for public review during regular business hours at the Commission's main office located at 2 Coral Circle, Monterey Park.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed action is a necessary step to provide bond financing for 105th Street & Normandie Senior Housing, which will increase the supply of affordable multifamily housing in the County with long-term affordability.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line extending to the right.

SEAN ROGAN
Executive Director

SR:gk

Enclosures

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING
REVENUE BONDS OR NOTES AND RELATED ACTIONS

WHEREAS, The Housing Authority of the County of Los Angeles (the “Authority”) intends to adopt a plan of financing to sell and issue multifamily housing revenue bonds or to execute and deliver revenue notes in one or more series issued from time to time, and at no time to exceed \$8,000,000 in outstanding aggregate principal amount (the “Tax-Exempt Obligations”), in order to assist in financing the acquisition and construction of a multifamily rental housing development consisting of 62 units located at 1345 West 105th Street in West Athens/Westmont of unincorporated Los Angeles County (the “Project”), to be owned by Normandie Senior Housing Partners, L.P., a California Limited Partnership (or an affiliate or assign); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the “Code”), the Tax-Exempt Obligations are required to be approved prior to their issuance by the applicable elected representative of the governmental unit on whose behalf the bonds are expected to be issued and by each governmental unit having jurisdiction over the area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the interest on the Tax-Exempt Obligations may qualify for exclusion from gross income under Section 103 of the Internal Revenue Code of 1986 (the “Code”), only if the Tax-Exempt Obligations are approved in accordance with Section 147(f) of the Code; and

WHEREAS, the Project is located wholly within the County of Los Angeles, California; and

WHEREAS, this Board of Supervisors is the elected legislative body of the County and is the applicable elected representative of the Authority within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the Housing Authority of the County of Los Angeles has, following notice duly given, held a public hearing regarding the issuance of the Tax-Exempt Obligations on September 10, 2010, and now desires that the Board of Supervisors approve the issuance of such Tax-Exempt Obligations; and

WHEREAS, this Board hereby finds and declares that this resolution is being adopted pursuant to the powers granted by law;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The above recitals, and each of them, are true and correct.
2. This Board of Supervisors hereby approves the issuance of the Tax-Exempt Obligations by the Authority to finance costs of the Project. It is the purpose and intent of this Board of Supervisors that this Resolution constitute approval of the Tax-Exempt

Obligations by the applicable elected representative of the issuer of the Tax-Exempt Obligations and the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code.

3. The Executive Officer-Clerk of the Board of Supervisors or a deputy thereof is directed to certify and deliver a copy of this Resolution to the Authority.

4. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Supervisors of the County of Los Angeles, State of California, this 5th day of October, 2010, by the following vote:

AYES: *Supervisors Ridley-Thomas, Knabe, Antonovich, and Molina*

NOES: *NONE*

ABSENT: *Supervisor Yaroslavsky*

ABSTAIN: *NONE*

By *Gloria Trubina*
Chair of the Board of Supervisors

ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By *Sachelle Smitheman*
Deputy



APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By: *Behnaz Jashakoni*
Deputy